

VZCZCXRO6012
PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDF RUEHIK RUEHLH RUEHLN RUEHLZ
RUEHPW RUEHROV RUEHVK RUEHYG
DE RUEHAH #0026/01 0071201
ZNR UUUUU ZZH
P 071201Z JAN 08
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 0007
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY
RUCNCIS/CIS COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUEHAK/AMEMBASSY ANKARA PRIORITY 3204
RUEHBJ/AMEMBASSY BEIJING PRIORITY 1019
RUEHKO/AMEMBASSY TOKYO PRIORITY 0893
RUEHIT/AMCONSUL ISTANBUL PRIORITY 1467
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RHMFIUU/CDR USCENTCOM MACDILL AFB FL PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEHRC/DEPT OF AGRICULTURE WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY

UNCLAS SECTION 01 OF 02 ASHGABAT 000026

SIPDIS

SENSITIVE
SIPDIS

STATE FOR SCA/CEN, EEB
ANKARA FOR AGRICULTURAL COUNSELLOR

E.O. 12958: N/A

TAGS: [PGOV](#) [EAGR](#) [ECON](#) [ETRD](#) [TX](#)

SUBJECT: TURKMENISTAN: U.S. CHICKEN ALLOWED IN - FOR THE HOLIDAYS

REF: 07 STATE 169243

11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: U.S.-origin chicken leg-thigh quarters, which in the early 1990s acquired the moniker of "Bush Legs" throughout the former Soviet Union, made an appearance at Ashgabat's markets over the New Year's weekend. According to a contact at the Ministry of Trade, a U.S. company, UNOVA, has received a contract to export 4,500 tons of U.S. chicken for New Year, and 1800 tons for Flag Day (in February). The Ministry of Trade bought the chicken for \$2 per kilo, and then resold it legs at the market for 37,000 manat per kilo -- approximately \$6 at the official exchange rate -- a very hefty mark-up. This allowed the government to address a notable shortage during a very important time of the year -- and to profit in the mix. We will continue to advocate for importation of U.S. poultry products (ref). END SUMMARY.

13. (U) Following months of declining availability of chicken in Turkmenistan's markets, chicken leg-thigh quarters imported from the United States -- the so-called "Bush Legs" -- appeared suddenly on New Year's Eve. State shops in Ashgabat started selling these chicken legs at 37,000 manat per kilo (about \$6 at the official exchange rate). Customers were allowed to buy up to 5 kilos at a time. According to a Ministry of Trade official, the Ministry signed two contracts with a U.S. company, UNOVA, to supply 4,500 tons of chicken legs for the New Year celebrations and 1,800 tons of chicken legs for the Flag Day celebrations. The Ministry of Trade purchased the chicken legs for \$2 per kilo.

14. (SBU) On January 4, Pol/Econ Assistant checked the local food markets and state shops for chicken legs. In Ashgabat, state shops were continuing to offer the chicken legs at 37,000 manat per kilo. Pol/Econ Assistant confirmed that the chicken legs were supplied in large amounts for provincial residents at the same price. In one of the state shops, packing labels stated that Pilgrim's Pride of Canton, Georgia, and Country Pride of Pittsburg, Texas, were distributors of the chicken legs. Pol/Econ Assistant noticed that the chicken legs were not all of the same quality: some were big and attractive, others were small and bony.

15. (SBU) A senior veterinary service official told Pol/Econ Assistant that the Ministry of Health lifted the unofficial poultry import ban for the Ministry of Trade specifically for the above-mentioned contracts. However, the Ministry of Health has not lifted the ban for private companies to import poultry products. This effectively makes the Ministry of Trade the sole importer of chicken legs and eggs and allows the Ministry to profit from a hefty mark-up. (By comparison, local chicken from the Altyn Hilal private farm is available at 160,000 manat, but only under the counter. The Ministry of Trade allows only the Altyn Hilal farm to sell its chickens to local restaurants.)

IMPORTED EGGS ALSO MAKE AN APPEARANCE

16. (SBU) In an effort to resolve an egg shortage and the subsequent price peak, which hit 3,500 manat (approximately \$.50 at the official exchange rate) per egg in December, the Ministry of Trade also imported eggs from India. Local food markets controlled by the Ministry are selling the imported eggs at 1,700 manat (about \$.25) per egg, and each person is allowed to buy only ten eggs at a time.

17. (SBU) COMMENT: As post has reported previously, the ban on importation of chicken and poultry products, such as eggs -- put into effect in 2006 as a preventive measure against avian influenza -- has created major shortages of both chickens and eggs, two popular items in the local diet. When these products are available, it is only at prices substantially higher than a year ago. The government probably wanted to ensure that both these products were available for the Gurban Bayram (which in 2007 was celebrated a few days before Christmas) and New Year's holidays, two of the most important holidays of the year. We will continue to advocate for allowing the importation of U.S. poultry products. END COMMENT.

ASHGABAT 00000026 002 OF 002

HOAGLAND